



## manex

### Manex: Corporation for Manufacturing Excellence *Northern California*

Since 1995, The Corporation for Manufacturing Excellence (Manex) has provided a broad array of proven solutions and resources exclusively to manufacturers, distributors and their supply chains, enabling them to compete on a global scale. Manex uses a holistic and proven approach—from strategy through implementation—to impact all facets of business performance. The results: growth, profitability, and competitive advantage.

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MEP • MANUFACTURING  
EXTENSION PARTNERSHIP



### California Manufacturing Technology Consulting (CMTC) *Southern California*

A private, nonprofit corporation established in 1992, CMTC's mission is to ensure that manufacturers flourish by identifying areas of improvement in capability, process and systems to create financial impact.. Serving Los Angeles to San Diego/Imperial County, CMTC provides high value consulting services for improving management and production of high tech and traditional small and medium-size manufacturers. CMTC provides consulting services in the practice areas of Strategic Business, Lean Enterprise, Information Technology, Energy & Gas House Reduction, Quality Improvement, and Supply Chain Management.

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### California MEP CLIENT IMPACTS

*Impacts are based on clients receiving service in FY2012*

Total Increased/  
Retained Sales



**\$285.8 Million**

Total Increased/  
Retained Jobs



**3,229**

New Client  
Investments



**\$144.3 Million**

# CALIFORNIA CLIENT SUCCESSES

*"We were very satisfied with the overall response, attentiveness and quality of the work done with CMTC. Our contacts were knowledgeable, professional and helped us accomplish our goals. "*

Edward Kaiser,  
VP of Operations

\$300,000 new sales;  
\$1 Million in retained sales  
10 jobs retained

## Shining Light on New Jobs and Increased Sales

Luminit is a full-service, global provider of innovative light management solutions for the lighting, display, biomedical and machine vision industries. Based in Torrance, CA with 22 employees, Luminit is well-known for its innovative product patents. The company's facility houses engineering and holography labs, as well as manufacturing floor space that supports the development of their products.

Luminit witnessed significant growth in recent years and was ranked as one of Fortune Magazine's 5,000 Fastest Growing Private Companies. However, the organization was presented with a challenge to update its ISO 9001 certification. At the same time, the company wanted to display a commitment to continuously improve its quality management system to increase customer satisfaction and compliance.

Luminit was referred to California Manufacturing Technology Consulting® (CMTC), a NIST MEP affiliate. CMTC worked trained and coached Luminit staff for one day each week. Consultants worked with Luminit to document and implement procedures and process auditing in order to improve the company's operational performance and to meet the requirements for certification. This training helped Luminit identify key areas for improvements, allowing the organization to become more efficient. After a total of three weeks, the program was complete.

The training and coaching CMTC provided allowed Luminit to successfully achieve their ISO 9001 certification renewal, maintain customers, attract new ones, and invest in growing their workforce and operations.

*"Manex Consulting was invaluable in assisting AGA in making its decision to relocate its operations to Livermore. Manex was able to quantify many of the "soft" variables in a manner that was useful to understand"*

John Buckley,  
President

Production to increase by  
100%, generating \$120 Million  
in sales revenue

## Cost of Ownership Analysis Keeps Jobs in State

Architectural Glass and Aluminum (AGA) is a \$60MM custom manufacturer of structural and decorative building components. The company specializes in the custom design, manufacturing and installation of curtain wall systems, which are used to clad the exterior of steel-frame structures, including high-rise office towers and apartment buildings. Founded in 1970 in Alameda, CA, AGA has grown to 200 employees, many of whom are represented by a trade union for collective bargaining purposes. It is currently based in Livermore, CA.

AGA needed to relocate. Its Alameda, CA facility was in a residential neighborhood where zoning restrictions prohibited 24-hour operations. The geographical limitations of the site were severely constraining business operations, reducing potential for new sales and profits. AGA was considering different relocation options, some local and some out-of-state. It was also exploring the possibility of outsourcing production to a plant in Mexico. The impetus existed for relocating the Alameda facility, but the company needed to determine the relative costs associated with each alternative. It approached the Corporation for Manufacturing Excellence (Manex), a NIST MEP affiliate, for assistance.

Manex conducted a strategic risk assessment and payoff analysis on the different site location options. Options included other local sites, out of state relocation, and outsourcing production to a plant in Mexico. It examined the total "Cost of Ownership" of each site by analyzing factor input costs such as labor rates, productivity, energy prices and quality issues, especially those relating to potential warranty costs. Manex also considered economic, political and workforce safety risk factors. Finally, Manex assessed a range of scenarios relating to general and site-specific risk factors. For instance, a physical separation between the manufacturing facility and the design center could impair AGA's innovative capabilities. Manex and AGA worked together to assign a range of values to each risk factor. The entire risk analysis allowed for a net present value determination of each alternative. Next, Manex conducted strategic planning sessions with AGA's senior management team to move the evidence into action. Based on Manex's analysis, Livermore, CA was the best choice for AGA. The nearby location would allow AGA to keep manufacturing jobs in Alameda County while avoiding extremely volatile international risk factors. AGA could increase its operating hours at the new, more flexible site. It set a date to move the plant.